STATE OF NEBRASKA DEPARTMENT OF NATURAL RESOURCES NOTICE OF PUBLIC HEARING

The Nebraska Natural Resources Commission will conduct a public hearing on September 26, 2006 to receive public testimony on proposed amendments to Title 259, Nebraska Administrative Code, Regulations Governing the Administration of the Water Well Decommissioning Fund. The hearing will be at 2:00pm, CDT, at the Kearney Holiday Inn and Convention Center, 110 2nd Ave., Kearney, NE.

Copies of the proposed amendments can be obtained from the Department of Natural Resources, 301 Centennial Mall South, P.O. Box 94676, Lincoln, NE 68509, (402) 471-2363 and from John A. Gale, Secretary of State, State Capitol, Suite 2300, P.O. Box 94608, Lincoln, NE 68509 (402) 471-2385. The proposed amendments can also be viewed and downloaded on the Department of Natural Resources website, www.dnr.ne.gov.

Members of the public are invited to attend and present oral or written testimony at the public hearing. Comments on the proposed amendments in advance of the public hearing are also solicited and may be sent to the Department of Natural Resources at the address noted above. If received by September 21, 2006, such advance comments will be made part of the hearing record at the time of the hearing. Individuals with disabilities may request auxiliary aids or other services necessary for participation by contacting the Department's Administrative Officer at the Department's address or phone number listed above.

The amendments to Title 259 are proposed because of changes in the statutes governing the Water Well Decommissioning Fund. Those changes, which were adopted as Sections 9 and 10, LB508, 99th Nebraska Legislature, Second Session (2006), require revisions to Title 259 relating to: (1) how the annual allocations to participating natural resources districts (NRDs) are to be determined; (2) the minimum requirements for NRD programs to be eligible for state financial assistance; and (3) the maximum amount that will be paid to the NRD from the Fund for the decommissioning of any one well.

The proposed amendments to Title 259 will not have any fiscal impact on state agencies. Natural Resources Districts are the only political subdivisions that may be affected. The amount of money for which they are collectively eligible will not change as a result of the amendments, if adopted, but the distribution of the available dollars among participating districts will change. The actual impact to any given district will depend on the extent to which that district's proportion of the number of wells decommissioned by all districts over a three year period differs from that district's proportion of the number of wells decommissioned statewide in just the most recent fiscal year. It is not anticipated that any district will experience an increase or decrease in the amount allocated to that district of more than 20% in any one year. Individuals who will be or would have been recipients of financial assistance from NRDs to decommission a well could be fiscally impacted in one of two ways. First, for an individual who previously would have been

subject to an NRD adopted maximum of between \$300 and \$500 on the amount of assistance, that maximum could no longer be less than \$500, so that individual may receive more assistance. Second, if the amounts made available by NRDs for their well decommissioning programs are not increased to reflect the increase in the maximum amount that could be paid for any one decommissioning, the funds available may be expended for the decommissioning of a smaller number of wells and some individuals may be denied assistance or may have to wait until another fiscal year to receive assistance. For most NRD programs, that would mean a potential, at least temporary, impact to an individual of up to \$300 for each well involved.